

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Redbubble Limited

ABN

11119200592

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers ⁽¹⁾	69,833	255,184
1.2	Payments for:		
	(a) research and development	(535)	(1,614)
	(b) fulfiller expenses ⁽²⁾	(48,595)	(125,306)
	(c) paid marketing ⁽²⁾	(9,583)	(21,311)
	(d) other advertising and marketing	(200)	(756)
	(e) leased assets	(1,106)	(2,748)
	(f) staff costs ⁽³⁾	(10,511)	(29,378)
	(g) other operating, administration and corporate costs	(5,150)	(15,061)
	(h) artist earnings ⁽²⁾	(12,770)	(37,936)
	(i) sales taxes ⁽²⁾⁽⁴⁾	(6,033)	(12,003)
	(j) refunds, fraud and chargebacks ⁽²⁾	(1,444)	(5,313)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	105	286
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received/(paid)	(88)	(284)
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material):	-	-
	(a) TP Apparel LLC (TeePublic) acquisition related costs	(21)	(1,235)
	(b) Rental income received	149	424
1.9	Net cash from/(used in) operating activities	(25,949)	2,949

⁽¹⁾ Receipts from customers represents Gross Transaction Value grossed up for refunds, fraud and chargebacks (disclosed at item 1.2(j)) and adjusted for timing differences associated with payments being received through payment gateways up to two days after the transaction occurs.

⁽²⁾ The relationship between receipts from customers and fulfiller expenses (a proxy for cost of goods sold), payments for paid marketing, artist's earnings, sales taxes, refunds, frauds and chargebacks is distorted by seasonal effects in the December and March quarters due to high sales in December and the payment terms for these items.

⁽³⁾ Staff costs include employment benefits and contractors' costs but exclude costs classified as research and development (disclosed at item 1.2(a)) and costs related to capitalised development (disclosed at item 2.1(e)).

⁽⁴⁾ Due to changes in the application of sales taxes in the United States of America the group is now collecting and remitting sales taxes in an increased number of States (in the prior year the group had a sales tax presence in only one State).

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(9 months)
		\$A'000	
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(97)	(224)
	(b) businesses (net of cash received (see item 10))	-	(46,674)
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets (capitalised development costs)	(2,704)	(6,872)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from/(used in) investing activities	(2,801)	(53,770)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares ⁽⁵⁾	-	60,572
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options ⁽⁶⁾	82	2,144
3.4	Transaction costs related to issues of shares, convertible notes or options	(33)	(3,501)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(11)	(106)
3.10	Net cash from/(used in) financing activities	38	59,109

⁽⁵⁾ Capital was raised to fund the acquisition of TP Apparel LLC.

⁽⁶⁾ The proceeds for the current quarter represent proceeds from exercise of 137,932 share options.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase/(decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter ⁽⁷⁾ /year to date	58,712	21,247
4.2	Net cash from/(used in) operating activities (item 1.9 above)	(25,949)	2,949
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(2,801)	(53,770)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	38	59,109
4.5	Effect of movement in exchange rates on cash held	(857)	(392)
4.6	Cash and cash equivalents at end of quarter	29,143	29,143

⁽⁷⁾ The opening cash position for the quarter is based on the final cash position shown in the published half year financial statements.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	15,143	40,712
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Term deposits ⁽⁸⁾	14,000	18,000
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	29,143	58,712

⁽⁸⁾ Term deposits are for various periods up to 12 months. All deposits are capable of being called at 31 days' notice with minimal financial effect.

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	251
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1 - Payment of executive director's salary and non-executive directors' fees.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8.	Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Add notes as necessary for an understanding of the position</i>		
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	(564)
9.2	Fulfiller expenses ⁽⁹⁾	(35,320)
9.3	Paid marketing ⁽⁹⁾	(6,027)
9.4	Other advertising and marketing	(523)
9.5	Leased assets	(974)
9.6	Staff costs	(10,765)
9.7	Other operating, administration and corporate costs	(5,440)
9.8	Artist earnings ⁽⁹⁾	(11,718)
9.9	Sales taxes ⁽⁹⁾	(4,502)
9.10	Refunds, fraud and chargebacks	(1,683)
9.11	Total estimated cash outflows	(77,516)

⁽⁹⁾ These items will not move in line with the forecast cash receipts from customers due to the seasonal factors mentioned in footnote (2) above.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	N/A ⁽¹⁰⁾	N/A
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

⁽¹⁰⁾ There are no acquisitions in the current quarter. TP Apparel LLC and its subsidiary TP Apparel Europe Ltd were acquired in the previous quarter.

Compliance Statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Sign here: Paul Gordon
(~~Director~~ Company secretary)

Date: 30 April 2019

Print name: Paul Gordon

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.